United States Attorney Dunn Lampton Southern District of Mississippi

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TWO MISSISSIPPIANS PLEAD GUILTY TO KATRINA FRAUD

GULFPORT, Miss. – VINCENT W. PEMPEIT, of Ocean Springs, Miss., pled guilty on Monday, July 9, to submitting a false claim to FEMA for Hurricane Katrina disaster assistance funds, and making a false statement to the Mississippi Development Authority to fraudulently obtain a Mississippi Homeowner Grant, U.S. Attorney Dunn Lampton announced today.

Pempeit caused \$9,558.00 to be paid from FEMA by claiming he was residing in a home which he owned but rented out in Ocean Springs while living in Louisiana. Pempeit was approved for a grant of \$60,449.00 before the fraud was detected.

SANDY M. BARRON, of Gulfport, Miss., also pled guilty on Monday to submitting a false claim to FEMA for Hurricane Katrina disaster assistance funds. Barron caused \$15,184.08 to be paid from FEMA by providing a former address in Gulfport, Miss., and claiming hurricane damage at that address.

Pempeit and Barron are both scheduled to be sentenced in U.S. District Court in Gulfport on October 9, 2007.

In September, 2005, Attorney General Alberto R. Gonzales created the national Hurricane Katrina Fraud Task Force, designed to deter, investigate and prosecute disaster-related federal crimes such as charity fraud, identity theft, procurement fraud and insurance fraud. The Hurricane Katrina Fraud Task Force - chaired by Assistant Attorney General for the Criminal Division, Alice S. Fisher, includes members from the FBI, the Federal Trade Commission, the Department of Labor Office of Inspector General, the Postal Inspector's Office and the Executive Office of United States Attorneys, among others.

Pursuant to the Justice Department initiative, a local Katrina Fraud Task Force, consisting of over 20 Federal and State law enforcement agencies, was formed in the Southern District of

Mississippi to pursue and prosecute individuals who engage in fraud associated with the hurricanes.

If anyone has information concerning possible fraud being committed during the post-Katrina recovery effort, please call either the DHS-OIG Fraud Hotline at 1-866-720-5721 or the FBI Fraud Hotline at 1-800-225-5324.